

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4584-01
Bill No.: HB 1072
Subject: Military Affairs; Licenses - Motor Vehicle; Department of Revenue
Type: Original
Date: January 7, 2014

Bill Summary: This proposal changes the laws regarding the gold star license plates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** state the following changes will need to be made:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours at a cost of \$840 in FY 2015.
- The Application for Military Personalized License Plates (DOR-4601) will need to be revised to include the change in fee. This will require 40 hours for a Management Analyst Specialist I, at a cost of \$840 in FY 2015.
- The Department's web site will need to be updated. This will require 10 hours for an Administrative Analyst III, at a cost of \$230 in FY 2015.
- IT programming will require 2 hours at a cost of \$55 in FY 2015.

In summary, DOR assumes a cost of \$1,965 ($\$840 + \$840 + \$230 + \55) in FY 2015 to provide for the implementation of the changes in this proposal.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

This proposal eliminates the \$15 specialty plate fee for an applicant to obtain the "We Shall Not Forget" specialty license plate. Currently, there are three "We Shall Not Forget" specialty license plates in use. This will result in a loss of the \$15 fee being collected at the renewal of that plate or the issuance of any new plates.

The minimum impact for this proposal is \$45 in FY 2016 and FY 2017. Specialty plates expire in July, therefore, the fiscal impact for the current three plates will not occur until FY 2016. Additionally, any new applicants applying after the effective date of this proposal will not be required to pay the \$15 specialty plate fee.

Oversight assumes this revenue impact will be minimal and will not reflect the \$45 loss in the fiscal note.

ASSUMPTION (continued)

Officials from the **Department of Transportation** concur with the Department of Revenue regarding the fiscal impact of this legislation.

Officials from the **Department of Corrections** assume the proposal will have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

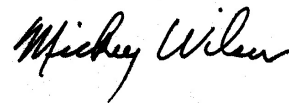
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Department of Corrections

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 7, 2014

Ross Strobe
Assistant Director
January 7, 2014